

FEDERAL ELECTION COMMISSION



2006 MAR -8 ₽ 4: 17 · 2006 MAR -7 · A 10: 24

In the Matter of Senators Dianne Feinstein and Barbara Boxer, House of Representatives Minority Leader Nancy Pelosi, and California gubernatorial candidate State Treasurer Phil Angelides.

MIIR # 5711

COMPLAINT

- 1. The California Republic Party (CRP) brings this complaint before the Federal Election Commission (FEC) seeking immediate FEC investigation and enforcement against Senators Dianne Feinstein and Barbara Boxer, House of Representatives Minority Leader Nancy Pelosi, and California gubernatorial candidate State Treasurer Phil Angelides for direct and serious violations of the Federal Election Campaign Act (FECA), as amended by the Bipartisan Campaign Reform Act of 2002 (BCRA).
- The FEC allows any person to file a complaint if he or she believes a violation of the federal election campaign laws or Commission regulations have been violated.
- Specifically, CRP believes Senators Feinstein and Boxer, House of
 Representatives Minority Leader Nancy Pelosi, and California State Treasurer
 Angelides are soliciting soft money from prohibited sources and in excess of the
 federal contribution limits.

Complainant

- 4. The complainant is the California Republican Party and its Chairman, George M. Sundheim, III.
- 5. The California Republican Party believes violations of federal election campaign laws have been committed by Senators Dianne Feinstein and Barbara Boxer;

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House of Representatives Minority Leader Nancy Pelosi, and California gubernatorial candidate State Treasurer Phil Angelides.

Respondent

6. The respondents are Senator Dianne Feinstein, Senior United States Senator from the state of California and a candidate and officeholder under federal law, (2 U.S.C. 431(2) and (3)), Senator Barbara Boxer, Junior United States Senator from the state of California and a candidate and officeholder under federal law, (2 U.S.C. 431(2) and (3)), the Honorable Nancy Pelosi, House of Representatives Minority Leader from the State of California, and Phil Angelides, State Treasurer of California and a gubernatorial candidate for election in 2006.

Facts

7. Senators Dianne Feinstein and Barbara Boxer, House of Representatives Minority Leader Nancy Pelosi, and California gubernatorial candidate State Treasurer Phil Angelides are jointly soliciting soft money in connection with Phil Angelides' California gubernatorial election campaign. The violation involves a solicitation upon the "official" website of Phil Angelides' California gubernatorial campaign:

http://www.angelides.com. This website prominently features the names and likenesses of Senators Dianne Feinstein and Barbara Boxer and House of Representatives Minority Leader Nancy Pelosi as "Co-chairs" of the gubernatorial campaign committee. The pictures of these three federal officeholders are

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displayed on the front of this website alongside a bank of "link" buttons including "Contribute," "Join," and "Contact Us." (See Exhibit A). Moreover, just above this bank of link buttons is an array of changing photos including one with Senator Barbara Boxer and State Treasurer Phil Angelides embracing in the center, with House of Representative Minority Leader Nancy Pelosi looking on from the side.

- 8. There are no solicitation disclosures on the front of this website.
- 9. On the "Contribute" page of this website,

https://contribute.angelides.com/01/angelides_contribute, there is only one disclaimer. This disclaimer reads: "Angelides 2006 is a committee formed to support Phil Angelides's campaign for Governor of California in 2006. Under California and Federal law, Angelides 2006 may accept contributions of up to \$22,300 per election for the primary and general elections from individuals, businesses, corporations, unions, PACs and small contributor committees.

Contributions from foreign nationals are prohibited, unless an individual is lawfully admitted for permanent residence in the United States. Contributions to Angelides 2006 are not tax deductible for federal income tax purposes."

The unfortunate effect of the "disclaimer" is to suggest to the uninformed donor that federal law permits contributions up to as much as \$22,300 and from sources including corporations and unions.

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Applicable Law

- 10. Under the amendments to the Act by BCRA along with Commission regulations, federal candidates and officeholders expressly are prohibited from soliciting, receiving, directing, transferring, or spending funds in connection with any election other than an election for federal office unless the funds are not in excess of the amounts permitted with respect to contributions to candidates and political committees and are not from sources prohibited by the Act from making contributions in connection with an election for Federal office. Current contribution limits to federal candidates are \$2,100 from individuals and \$5,000 from multi-candidate PACs per election. (2 U.S.C. 441(e) (1) (A) and (B); 11 CFR 300.61 and 300.62).
- 11. A federal candidate or officeholder may attend, speak or be a featured guest at a state or local candidate fundraiser. When involved in such events, the candidate may only ask for funds in amounts and from sources that are both consistent with state law and not in violation of the Act's limits and prohibitions. Furthermore, no solicitation materials mentioning the candidate may solicit funds outside the limits and prohibitions of the Act. Prohibited sources include corporations and unions. (Campaign Guide for Congressional Candidates and Committees, Appendix E, page 2; Advisory Opinions 2003-36, 2003-3).

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- 12. The website solicitation violates FECA as amended by BCRA in that it clearly mentions the name of Senators Feinstein and Boxer, and House of Representatives Minority Leader Pelosi as "Co-chairs" of the committee and solicits contributions both in excess of the FECA limits and from prohibited sources.
- 13. The FEC has opined that solicitations that mention a federal candidate and solicit funds for a nonfederal candidate must, in addition to not requesting funds in excess of federal limits and from prohibited sources, contain a written notice.

 That notice must read: "I am asking for a donation of up to \$2,100 per election from an individual's own funds [or up to \$5,000 per election from a multicandidate political committee or a political party committee]. I am not asking for funds from corporations or labor organizations." (Advisory Opinion 2003-3).
- 14. The "official" website of Phil Angelides' California gubernatorial campaign does not contain this disclaimer anywhere. The disclaimer that is included on the website does not advise donors of the precise contribution limits under federal law, nor advises them of prohibited sources, thus leaving the uninformed donor to believe the limits are as high as \$22,300 and may be accepted from corporations and unions. (See Exhibit B).

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Count 1

15. Senators Feinstein and Boxer, and House of Representative Minority Leader Pelosi, by appearing on the "official" website of Phil Angelides' California gubernatorial campaign as "Co-chairs" and soliciting large soft money contributions over the federal limits and from prohibited sources for California State Treasurer Phil Angelides' gubernatorial campaign, violated the Federal Election Campaign Act Section 441a(a)(1) and Commission regulations 300.61 and 300.62. While FECA permits Senators Feinstein and Boxer, and House of Representatives Minority Leader Pelosi to attend, speak and be a featured guest at State Treasurer Phil Angelides' fundraisers, they violated the Act by having their names and likenesses appear on the "official" website of Phil Angelides' California gubernatorial campaign as "Co-chairs" with requests for contributions in amounts of up to \$22,300, far in excess of the federal limits of \$2,100 or \$5,000. In addition, the invitation solicits contributions from corporations and unions in violation of the Act's prohibitions. (Advisory Opinions 2003-36, 2003-3).

Count 2

16. Although the "official" website of Phil Angelides' California gubernatorial campaign does include disclaimer language, Senators Feinstein and Boxer, and House of Representatives Minority Leader Pelosi violated the Commission's

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interpretation of the disclaimer requirement by participating in solicitation of soft money funds without any disclaimer concerning their intention not to raise funds in excess of the limitations on federal contributions. (2 U.S.C. 441i (e) (1) (B); 11 CFR 300.62, Advisory Opinion 2003-3).

17. Angelides has raised over \$15 million in soft money funds during the period when Senators Feinstein and Boxer and Representative Pelosi were "Co-chairs" of his campaign. Senators Feinstein and Boxer and Representative Pelosi actively have participated in Angelides' fundraising efforts, including participation in his broadcast advertisements which refer contributors to the offending website.

Count 3

18. California State Treasurer Phil Angelides violated the Act by aiding and abetting Senators Feinstein and Boxer, and House of Representatives Minority Leader Pelosi in soliciting soft money contributions in violation of federal law.

The California Republican Party and Chairman George M. Sundheim, III request that the Federal Election Commission conduct an investigation into these allegations, declare the respondent to have violated FECA, as amended by BCRA, impose sanctions appropriate to the violations and take such further action as may be appropriate.

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The foregoing is true and correct and of my personal knowledge, except as to matters stated on information and belief, which I believe to be true. Executed under penalty of perjury under the laws of the State of California this sixth day of March 2006.

George M. Sundheim, III Chairman California Republican Party Ronald Reagan California Republican Center 1903 Magnolia Blvd. Burbank, CA 91506

State of California) ss.
County of Sacramento)

Subscribed and sworn to (or affirmed) before me on this 6th day of MarchMarch, 2006, by George M. Sundheim, III, personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



Signature

EXHIBIT A

Democrat for Governor 2006 Search the Site ENTER

Join Phil's Email List:

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Contact Us Community Pages

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Get Involved **Meet Phil**

Endorsements issues

Media Center

Volunteer Center

Campaign Co-Chairs:











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Competitiveness: The Angelides Plan to Strengthen California's

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Angelides Proposes *California Tomorrow* Fellowships for Young
Californians Pursing Math, Science and Engineering Degrees

which would provide scholarships for In remarks before the Silicon Valley Leadership Group, State Treasurer and Democratic Candidate for Governor Phil California Tomorrow Fellowships program, Angelides proposed the creation of the degrees in science, engineering, and young Californians pursuing college mathematics.

engineering. California's young people who earn B S. degrees in science, mathematics, and The fellowships would be the centerpiece of Angelides' efforts as Governor to increase by 50 percent the number of

Read California Tomorrow

United States Senators
Barbara Boxer and
Dianne Feinstein,
U.S. House Democratic
Leader Nancy Pelosi;
Assembly Speaker
Fabian Núñez





Keep the campaign strong by giving what you can.

Contribute

The Angelides for Governor campaign has released the campaign's first TV ad, titled "Deeply Believe."

Keep the campaign strong through your public support

Endorse Phil

Keep the campaign strong by giving your energy.

Volunteer

We are excited to bring Phil's message to the airwaves as we enter this stage of the race

Click here to watch the ad.

In The News

Angelides Promises to Award 10,000 Science Scholarships
- Mercury News Sacramento Bureau

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Get/Ictive

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EXHIBIT B



enter zipcode

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EMER

Contribute to Angelides 2006!

California. Fill out the form below to make your donation now. Thank you for your Phil needs your help today to fight the Schwarzenegger fundraising machine! Arnold has promised to raise \$50 million to promote his right-wing agenda. Every contribution you make will help Phil Angelides bring fairness, responsibility and opportunity back to

For Business or PAC contributions, please call (916) 448-1998

your check. If you would like to pay by check, please click here to print a form you can send in with

(Items with a * are required)

Store

Volunteer Center Media Center **Endorsements** Get Involved **Meet Phil** Home

Issues

Email: * Complete the following to make your contribution:

First Name: *

Middle Name:

Last Name: *

Address Line 1: * Address

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Confirm eligibility:*

I am a citizen or legal permanent resident of the United States of America.

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Yes.

Confirm personal account:*
I affirm that I am making this contribution via my personal credit or debit card for which I have a legal obligation to pay, and not through a corporate or business entity card or the card of another.

Yes.

Contribute!

an individual is lawfully admitted for permanent residence in the United States. elections from individuals, businesses, corporations, unions, PACs and small Governor of California in 2006. Under California and Federal law, Angelides 2006 may contributor committees. Contributions from foreign nationals are prohibited, unless accept contributions of up to \$22,300 per election for the primary and general Angelides 2006 is a committee formed to support Phil Angelides's campaign for

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Paid for by: Angelides 2006, FPPC ID #1253280

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